

U.S. Department of Justice

United States Attorney

Eastern District of Virginia

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NEWS RELEASE

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Paul J. McNulty, United States Attorney for the Eastern District of Virginia, announced today that Russell Lee Ebersole, 43, of Hagerstown, Maryland, the owner of a Stephenson, Virginia, bomb detection dog business, known as "Detector Dogs Against Drugs and Explosives" ("DDADE"), is charged in a 28-count criminal indictment returned by a federal grand jury in Alexandria, Virginia. Mr. Ebersole is charged with 26 counts of wire fraud and two counts of submitting false claims to the U.S. government.

Ebersole will be arraigned on a date to be determined in U.S. District Court in Alexandria, before the Honorable Leonie M. Brinkema, United States District Judge, at which time a trial date will be set. If convicted, Ebersole faces a maximum of five years imprisonment on each count, and a fine of approximately \$1,400,000.

According to the indictment, shortly after September 11, 2001, and continuing into May 2002, Ebersole marketed the services of his bomb detection dogs and handlers to several United States government agencies, including the Department of State and the Federal Reserve Board of Governors, both located in Washington, D.C., the FEMA Disaster Field Office in New York City, New York, and the IRS Service Center in Fresno, California. He offered to have his bomb detection teams patrol the perimeters of buildings used by those agencies, so as to protect thousands of employees working there. The indictment alleges that, in the proposals he submitted in order to get business from those agencies, Ebersole made a series of false statements about DDADE, its training procedures, and the qualifications of its dogs and handlers. The indictment also alleges that, in an effort to keep the business, Ebersole submitted false certifications of performance proficiency regarding the DDADE explosives ordnance detection dogs and handlers to the State Department, the Federal Reserve and the IRS. The indictment also alleges that DDADE dogs failed explosives detection tests administered on five different occasions, including one occasion on which the dogs and handlers failed to detect 50 pounds of TNT, 50 pounds of trenchrite 5 dynamite, and 15 pounds of C-4, hidden in three different vehicles which entered the Federal Reserve parking facility. The indictment also alleges that Ebersole submitted a false \$11,000 bill to FEMA in connection with a September 2001 overnight trip to New York City by a DDADE subcontractor and two bomb dogs. According to the indictment, the federal agencies paid DDADE over \$700,000 for its services.

The case was investigated by a task force of federal agents from the Inspector General Offices of the Department of State, the Department of Homeland Security, the Board of Governors of the Federal Reserve System, and the Department of the Treasury Inspector General for Tax Administration, and is being prosecuted by Assistant United States Attorneys Thomas H. McQuillan and Robert C. Erickson
